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Registry No. 1401—1—01

NATIONAL RECOVERY ADMINISTRATION

PROPOSED CODE OF FAIR COMPETITION
FOR THE
**AIRCRAFT MANUFACTURING
INDUSTRY**

AS SUBMITTED ON AUGUST 31, 1933



The Code for the Aircraft Manufacturing Industry
in its present form merely reflects the proposal of the above-mentioned
industry, and *none of the provisions contained therein are
to be regarded as having received the approval of
the National Recovery Administration
as applying to this industry*

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1933

SUBMITTED BY

THE AERONAUTICAL CHAMBER OF COMMERCE OF AMERICA., INC.

(II)



PROPOSED CODE OF FAIR COMPETITION FOR THE AIRCRAFT MANUFACTURING INDUSTRY

ARTICLE I

This Code is adopted pursuant to the National Industrial Recovery Act. It is presented by the Aeronautical Chamber of Commerce of America, Inc., the recognized trade association of the aircraft manufacturing industry, and shall apply during the period in which the N.I.R.A. is in effect. It has been approved and agreed to by the Aircraft Manufacturing Section of said Chamber. Its purpose is to effectuate the policy of the N.I.R.A. insofar as applicable to this industry.

ARTICLE II

SECTION 1. The basic processes in the aircraft manufacturing industry are of a continuous character and cannot be changed in this respect without serious adverse effect on production and employment. Having this in mind, and with the exception of executives, of those employed in technical work and other supervisory and/or administrative positions, emergency and maintenance work, no member of this Code shall employ any worker for more than an average of forty (40) hours per week for fifty-two (52) weeks.

SEC. 2. No member of this Code shall knowingly employ any person under sixteen (16) years of age.

SEC. 3. Pursuant to subsection (a) of Section 7 of N.I.R.A., and so long as this Code shall be in effect, this Code shall be subject to the following conditions:

(a) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor or their agents, in the designation of such representatives, or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

(b) That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

(c) That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

SEC. 4. The plants of the industry are open to capable workmen, without regard to their membership or non-membership in any organization.

ARTICLE III

SECTION 1. Until changed by amendment of this Code, the minimum rates of pay per hour which shall be paid for labor in this industry by members of this Code shall be not less than forty (40) cents per hour, unless the hourly rate for the same class of work on July 15, 1929, was less than 40 cents per hour, in which latter case they shall be not less than the hourly rate on July 15, 1929, and in no event less than thirty (30) cents per hour. It is agreed that this paragraph establishes a guaranteed minimum rate of pay.

SEC. 2. Members of this Code agree not to pay any of the following classes of employees—accounting, clerical, banking, office, service, or sales employees (except outside salesmen) in any office, department, or establishment, or in any other place or manner—less than \$15 per week in any city over 500,000 population, or in the immediate trade area of such city; nor less than \$14.50 per week in any city of between 250,000 and 500,000 population, or in the immediate trade area of such city; nor less than \$14 per week in any city of between 2,500 and 250,000 population, or in the immediate trade area of such city; and in towns of less than 2,500 population to increase all wages by not less than 20 percent, provided that this shall not require wages in excess of \$12 per week.

SEC. 3. Any attempt to evade the minimum rates of wages by improper designation of employees as apprentices or semi-skilled workers, or by other methods, shall be a violation of this Code.

ARTICLE IV

Where, prior to the effective date of this Code, any member of this Code had contracted to purchase or supply articles, materials, and/or services at a fixed price to be delivered during the period of this Code, an appropriate adjustment of such fixed price will be made to equal any increase in cost caused by the operation of the National Industrial Recovery Act.

ARTICLE V

No member of this Code shall sell, offer to sell, or make aircraft, aircraft engines, aircraft parts, and/or accessories from another member's design data, drawings, or copies thereof, whether patented or not, in any competitive way prejudicial to the interests of the original producers thereof unless directly and specifically licensed by the owner thereof so to do; nor shall any such member sell a license to make, have made, or sell any such aircraft, aircraft engines, aircraft parts, and/or accessories to another without definite and separate agreement in writing providing equitable compensation to such owner directly and specifically for such license.

ARTICLE VI

Failure to comply with any of these Articles shall be a violation of this Code.

ARTICLE VII

The effective date of this Code shall be ten days after its approval by the President of the United States.

The forty-hour week is necessary in the aircraft manufacturing industry because:

(a) The aircraft manufacturing industry is a comparatively new industry. It has, through experience, largely adopted the practice of manufacturing only on advance order and will therefore probably not be again confronted with the problem of overproduction;

(b) There exists no large amount of unemployment in the industry;

(c) Aircraft fabrication is practically all skilled hand labor, because production has not reached the stage of mass production where machine labor can be employed;

(d) The number of workmen employed on a given aircraft is limited in assembly and installation to those who can physically work thereon;

(e) Since so much special engineering is necessary during construction, skilled labor must be available constantly to facilitate intricate technical installation, e. g. radio, instruments, armament, special fuel tanks and leads, etc.

(f) Synchronization of fabricating labor with engineering installation is absolutely essential to the finished production of aircraft, because engineering must follow through actual fabrication before it can proceed further.

(g) In any regulation of the aircraft manufacturing industry the dominating consideration must be safety. Slipshod workmanship, whether the cause lies with the capabilities of the individual workman or with an attempt to have two men share the responsibility of one, takes an exacting toll of death.

(h) Military and air mail and passenger aircraft take many months to design and build even where factories have been working more than fifty hours per week, and forty hours extends what is already an unfortunate delay in striving to meet requirements;

(i) A working week averaging forty hours against an old week exceeding, in many cases, fifty would give employment to virtually all trained aircraft mechanics in the country if the Government goes ahead with the military and naval aircraft construction recommended by its aviation chiefs.



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